

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
TO THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY**

MINUTES

**SPECIAL MEETING
TUESDAY, OCTOBER 9, 2012
3:00 P.M.**

**COUNCIL CHAMBERS
LYNWOOD CITY HALL
11330 BULLIS ROAD, LYNWOOD, CA 90262**

1. CALL TO ORDER

The meeting was called to order at 3:00 p.m.

2. CERTIFICATION OF AGENDA POSTING BY CITY CLERK

Rhonda Rangel, Secretary, confirmed that the Agenda was posted correctly.

3. ROLL CALL OF BOARD MEMBERS

Rhonda Rangel, Secretary, called the roll.

Board Members Present

Chair Luis C. Valenzuela
Vice Chair Dr. Keith Curry (arrived at 3:13 p.m.)
Board Member Malcolm Bennett
Board Member Bruno Naulls
Board Member Sarah Magana Withers
Board Member Peter Wong
Board Member Michelle Banks-Ordone

4. PLEDGE OF ALLEGIANCE

Chair Valenzuela led the Pledge of Allegiance

5. PRESENTATIONS

There were none.

PUBLIC ORAL COMMUNICATIONS

There were no public comments.

NEW BUSINESS

6. MINUTES OF PREVIOUS MEETINGS:

Regular Meeting- August 21, 2012
Special Meeting-August 28, 2012

On motion of Board Member Bennett, seconded by Chair Valenzuela, duly carried by the following vote, the Board approved the Regular Meeting minutes of August 21, 2012 and the Special Meeting minutes of August 28, 2012:

AYES: Board Members Bennett, Wong, Withers, Naulls, Vice Chair Curry and Chair Valenzuela

NOES: None

ABSTENTIONS: Board Member Banks-Ordone

7. PUBLIC COMMENT SESSION ON DUE DILIGENCE REVIEW REPORT #1- LOW AND MODERATE INCOME HOUSING FUND

Lorry Hempe, Public Works Special Projects Manager, provided an overview of the staff report disseminated to the Board including the requirements of the Public Comment Session that must be held for five business days. She added that the Due Diligence Review (DDR) was prepared by Vasquez and Company LLP, and requested the Board to hold a Special Meeting on October 16, 2012 for approval of the DDR.

Fred Galante, City Attorney, stated that the DDR is a review of the former Redevelopment Agency's housing assets and the Board approved DDR must be submitted to the Department of Finance by October 15, 2012. There are no penalties for submitting the DDR past the deadline. However, the Department of Finance requests that a tentative date of submittal be provided to them.

Board Member Banks-Ordone inquired on the methods used to inform the public of the Public Comment Session because there are many non-profit agencies that may want to review the DDR. Mr. Galante stated that Board agendas are posted on the City's website and in City Hall. A copy of the DDR will also be provided to any member of the public that requests it.

Mr. Galante requested that the Board open up the Public Comment Session for five business days, and place the DDR on the agenda for approval at the next Special Meeting to be held on October 16, 2012

On motion of Chair Valenzuela and by Common Consent, there being no objection, the Board opened up the Public Comment Session.

No members of the public were present.

8. RE-ADOPTION OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2013 TO JUNE 30, 2013 (ROPS III)

Lorry Hempe, Public Works Special Projects Manager, stated that the Department of Finance (DOF) informed the City that there are items listed on ROPS III that they would like to see corrected, clarified, deleted or revised. Ms. Hempe distributed a revised ROPS III for the Boards review. She recommended that the Board approve the corrected ROPS III and authorize staff to submit the revised ROPS III to the DOF, Los Angeles County Auditor-Controller, Los Angeles County Chief Administrative Office, and the State Controller's Office.

Chair Valenzuela requested an overview of each revised line item on the ROPS III. (Board Member Curry arrived at 3:13 p.m.)

Ms. Hempe reviewed the following Line Items on the ROPS III:

Line Item 7-Project Name: 1999 City and Agency Cooperation Agreement, Payee: City of Lynwood

The DOF did note that this item was denied in the previous ROPS. However, there was no appeal process at that time. The DOF advised the City to list the line item again on the ROPS III, with the knowledge that it would be denied in order to request at "Meet and Confer" to argue the validity of the item.

Line Item 13- Project Name: Agreement, Payee: Various Employees

Line Item 13 was lined out on the ROPS III. Although previously approved by the DOF in past ROPS, the City wanted to ensure that there is no double counting of salaries. The salaries of staff are now being distributed under each project

Line 14- Project Name: Agreement, Payee: Various Employees

There is a Memorandum of Understanding (MOU) with Employee Bargaining Units that states that City employees can be compensated for unused sick time. Contrary to what the DOF states, the City believes that this is as recognized obligation and Staff intends to request a "Meet and Confer" for this item.

Line Item 19a-Project Name: Settlement Agreement (Rogel v. LRA), Payee: Various developers, staffing costs, legal and miscellaneous costs

Staff provided additional clarifying information, as requested by the DOF.

Line Item 19b-Project Name: Settlement Agreement (Rogel v. LRA), Payee: LMIHF

Staff provided additional clarifying information, as requested by the DOF.

Line Item 19c-Project Name: Settlement Agreement (Rogel v. LRA), Payee: LMIHF

The item was lined out on the ROPS III.

Line Item 19d-Project Name: Settlement Agreement (Rogel v. LRA), Payee: Counsels for Plaintiffs

Staff provided additional clarifying information, as requested by the DOF.

Line Item 20-Project Name: Settlement Agreement (Rogel v. LRA), Payee: Glen Campora, other consultants

Staff provided additional clarifying information, as requested by the DOF.

Line Item 21-Project Name Settlement Agreement (Rogel v. LRA), Payee: Del Richardson and Associates and other relocation consultants

The item was lined out on the ROPS III.

Line Item 22-Project Name: Settlement Agreement (Rogel v. LRA), Payee: Various Claimants

Staff provided additional clarifying information, as requested by the DOF.

Line Item 22a-Project Name: Settlement Agreement (Rogel v. LRA), Payee: Staffing costs, Aleshire & Wynder, MDG, miscellaneous costs, Kane, Ballmer and Berkman

Staff provided additional clarifying information, as requested by the DOF.

Line Item 30: Project Name: Settlement Agreement (Rogel v. LRA), Payee: Kane Ballmer, and Berkman

The item was lined out on the ROPS III.

Line Item 24: Project Name: DDA Park Place, Payee: AMCAL

Staff provided additional clarifying information, as requested by the DOF. However, the DOF was not clear on what additional information they needed. This line item was also previously approved on past ROPS.

Line Item 24a: Project Name- DDA Park Place, Payee: Various vendors, MDG, staffing costs, legal costs, and other miscellaneous expenses

Staff provided additional clarifying information, as requested by the DOF.

Line Item 24b: DDA Park Place, Payee: AMCAL

Staff provided additional clarifying information, as requested by the DOF.

Line Item 25: Project Name: Agreement-CALHome, Payee: HCD

Staff provided additional clarifying information, as requested by the DOF.

Line Item 25a: Project Name Agreement-CALHome, Payee: Staffing Costs

Staff provided additional clarifying information, as requested by the DOF.

Line Item 26: Project Name: DDA Casa Grande, Payee: Casa Grande, Gannett Fleming and other environmental consultants

Staff provided additional clarifying information, as requested by the DOF.

Line Item 26a-Project Name Casa Grande, Payee: Various vendors, staffing costs, legal costs, and other miscellaneous expenses

Staff provided additional clarifying information, as requested by the DOF.

Ms. Hempe added that all of the additional items and information that the DOF requested have been provided by the Successor Agency and they are awaiting a reply.

Board Member Wong requested clarification on Line Item 7: Project Name: 1999 City and Agency Cooperation Agreement, regarding the outstanding debt and the interest rate. Ms. Hempe stated that she will verify the amounts and the interest rates and will provide the information to the Board at a future meeting.

Board Member Bennet requested clarification on why the DOF is challenging Cooperative Agreements. Fred Galante, City Attorney, explained that AB1484 only recognizes city and successor agency agreements that were entered within the first two years of the formation of the former redevelopment agency. He added that there are clauses in California Health and Safety Code, Division 24, Part 1. Community Redevelopment Law, which states it is appropriate to provide loan agreements between cities and redevelopment agencies and that the loans must be repaid.

Board Member Banks-Ordone thanked staff for their preparation of the ROPS III. She also requested clarification on Line Item 24a: Project Name- DDA Park Place, in regards to whether or not the DOF was provided with an itemized breakdown of the payees. Ms. Hempe stated that the Successor Agency does have an itemized breakdown of the salaries, legal fees, etc. which will be provided to the DOF during the "Meet and Confer" process.

On motion of Board Member Banks-Ordone, seconded by Vice Chair Curry, unanimously carried by the following vote, the Board adopted a Resolution approving a Third Recognized Obligation Payment Schedule covering the Period of January 1, 2013 to June 30, 2013:

AYES: Board Members Banks-Ordone, Bennett, Wong, Withers, Naulls, Vice Chair Curry and Chair Valenzuela
NOES: None
ABSTENTIONS: Board Member Withers on Line Item 49, 13, and 14 as they relate to compensation and Board Member Naulls on any line items relating to salary costs

9. LOS ANGELES COUNTY NOTICE OF OBJECTIONS TO ROPS III

Lorry Hempe, Public Works Special Projects Manager, provided an overview of a letter that was received from the Los Angeles County Auditor-Controller's office advising the Successor Agency of some objections to items on the January 2013 through June 2013 Recognized Obligation Payment Schedule (ROPS III).

Chair Valenzuela inquired if a response to the letter was sent to the County. Ms. Hempe stated that the Successor Agency is working on a response to advise them that they are in receipt of the letter and although they recognize their objections, they are going to make their case to the Department of Finance.

Fred Galante, City Attorney, added that the County does not have the authority to approve the ROPS and the Successor Agency is not addressing the County's concerns.

On motion of Chair Valenzuela, and by Common Consent, there being no objection, the Board received and filed the report.

OVERSIGHT BOARD ITEMS

There were none.

ADJOURNMENT

On motion of Chair Valenzuela, and by Common Consent, there being no objection the meeting was adjourned at 3:42 p.m. The next Special Meeting is scheduled for Tuesday, October 16, 2012 at 3:00 p.m. in Council Chambers, 11330 Bullis Road, Lynwood, CA 90262.